

RESOLUTION NO. 11-22

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE ISSUANCE OF ITS ECONOMIC DEVELOPMENT REVENUE BONDS FOR THE J. DAVID GLADSTONE INSTITUTES IN ONE OR MORE SERIES TO FINANCE AND REFINANCE THE COSTS OF THE ACQUISITION, CONSTRUCTION, EQUIPPING, FURNISHING AND IMPROVING OF A PROJECT, PROVIDING THE TERMS AND CONDITIONS FOR THE ISSUANCE OF SUCH BONDS AND OTHER MATTERS RELATING THERETO AND AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS

WHEREAS, the California Infrastructure and Economic Development Bank (the "Issuer") was established pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act (California Government Code Section 63000 and following) (as now in effect and as it may from time to time hereafter be amended or supplemented, the "Act"), for the purpose of, among other things, providing financial assistance for projects located in the State of California;

WHEREAS, the J. David Gladstone Institutes, a charitable trust established pursuant to the will of J. David Gladstone and an order of the Superior Court of the State of California for the County of Los Angeles relating to such will (the "Institutes"), has applied for the financial assistance of the Issuer (i) to refund, in whole or in part, the California Infrastructure and Economic Development Bank Revenue Bonds, Series 2001 (The J. David Gladstone Institutes Project) (the "2001 Bonds"), a portion of the proceeds of which were used to finance the acquisition of a 60,000 square foot parcel of land located adjacent to the University of California, San Francisco's Mission Bay Campus, and the construction of an approximately 185,000 square foot building and associated facilities, improvements, equipment and furnishings for research and administrative purposes, all located in San Francisco, California (the "2001 Project"), (ii) to finance the acquisition and installation of equipment and related improvements to the 2001 Project facilities (the "2011 Project" and, together with the 2001 Project, the "Project"), and (iii) to pay the costs of issuance incurred in connection with the issuance and sale of the Bonds (as defined below);

WHEREAS, the Institutes request that the Issuer issue bonds in one or more series to assist in financing and refinancing the Project and for the other purposes specified in the second recital hereto, and has requested that the Issuer authorize the issuance of its California Infrastructure and Economic Development Bank Revenue Bonds, 2011 Series A (The J. David Gladstone Institutes Project) (the "Bonds"), or such other name or names and with such series designations as may be necessary or desirable to conform to the terms of the Bonds to be issued pursuant to the Indenture hereinafter mentioned in Section 2, in an aggregate principal amount not to exceed \$153,000,000;

WHEREAS, approval of the terms of the Bonds and certain documents relating to the Bonds is now sought; and

WHEREAS, there is now on file with the Secretary of the Board of Directors of the Issuer (the "Secretary") the following:

(a) a proposed form of the Loan Agreement (the "Loan Agreement") to be entered into by and between the Issuer and the Institutes;

(b) a proposed form of the Indenture (the "Indenture") to be entered into by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Bond Trustee");

(c) a proposed form of the Bond Purchase Agreement (the "Bond Purchase Agreement") with respect to the Bonds, to be entered into by and among the Issuer, the Treasurer of the State of California, as agent of sale for the Bonds (the "Treasurer"), the Institutes and Goldman, Sachs & Co. (the "Underwriter"); and

(d) a proposed form of the Preliminary Official Statement with respect to the Bonds to be used in connection with the offering and sale of the Bonds;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the California Infrastructure and Economic Development Bank as follows:

Section 1. The proposed form of the Loan Agreement on file with the Secretary is hereby approved. The Executive Director of the Issuer (the "Executive Director"), or the Executive Director's assignee, and the Chair of the Board of Directors of the Issuer (the "Chair"), or the Chair's designee, and each of them acting singly, is hereby authorized and directed, for and on behalf and in the name of the Issuer, to execute by manual or facsimile signature and deliver to the Institutes, the Loan Agreement in substantially said form, with such changes and insertions therein to the financial covenants of the Institutes or as may otherwise be necessary or appropriate to cause the same to carry out the intent of this Resolution (this "Resolution") and as are approved by counsel to the Issuer, such approval to be conclusively evidenced by the delivery thereof. The Issuer further authorizes and approves the loan of the proceeds of the Bonds to the Institutes in order to finance and refinance the Project and for the other purposes stated in the second recital hereto pursuant to the terms and provisions of the Loan Agreement.

Section 2. The proposed form of the Indenture on file with the Secretary is hereby approved. The Executive Director, or the Executive Director's assignee, and the Chair, or the Chair's designee, and each of them acting singly, is hereby authorized and directed, for and on behalf and in the name of the Issuer, to execute by manual or facsimile signature and deliver to the Bond Trustee, and the Secretary is authorized to attest thereto, the Indenture in substantially said form, with such changes and insertions therein as may be necessary or appropriate to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Issuer, such approval to be conclusively evidenced by the delivery thereof. The series designation, dated date, maturity date or dates, interest rate or rates (which shall not exceed 12 percent) and payment dates, the use of a debt service reserve fund, if any, denominations, forms, registration privileges, place or places of payment, terms of redemption and other terms of the Bonds shall be as provided in the Indenture, as finally executed.

Section 3. The proposed form of the Bond Purchase Agreement on file with the Secretary is hereby approved. The Executive Director, or the Executive Director's assignee, and the Chair, or the Chair's designee, and each of them acting singly, is hereby authorized and directed, for and on behalf and in the name of the Issuer, to execute by manual or facsimile signature and deliver to the Underwriter, the Bond Purchase Agreement in substantially said form, with such changes and insertions therein as may be necessary or appropriate to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Issuer, such approval to be conclusively evidenced by the execution and delivery thereof. The Treasurer, in his capacity as agent of sale for the Issuer, is hereby authorized and requested to sell the Bonds, in one or more series, at any time within one hundred eighty (180) days of the adoption of this Resolution, at negotiated sale, at such prices and at such interest rates as he may determine.

Section 4. The proposed form of the Preliminary Official Statement on file with the Secretary is hereby approved. The Executive Director, or the Executive Director's assignee, and the Chair, or the Chair's designee, and each of them acting singly, is hereby authorized to deem the Preliminary Official Statement final for the purposes of Rule 15c2-12 and to deliver the Preliminary Official Statement to the Underwriter, in the form on file with the Secretary with such changes and insertions therein as may be necessary or appropriate to cause the same to carry out the intent of this Resolution and as are approved by the Issuer's counsel, such approval to be conclusively evidenced by the delivery thereof to the Underwriter.

Section 5. The Executive Director, or the Executive Director's assignee, and the Chair, or the Chair's designee, and each of them acting singly, is hereby authorized to prepare and deliver to the Underwriter a final Official Statement in connection with the Bonds (the "Official Statement"). The Executive Director, or the Executive Director's assignee, and the Chair, or the Chair's designee, and each of them acting singly, is hereby authorized to execute the Official Statement in the name of and on behalf of the Issuer. The Official Statement shall be in substantially the form of the Preliminary Official Statement with the terms of the Bonds included and with such changes and insertions therein as may be necessary or appropriate to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Issuer, such approval to be conclusively evidenced by the delivery thereof to the Underwriter.

Section 6. The distribution of the Preliminary Official Statement and the Official Statement by the Underwriter in connection with the offering of the Bonds, including distribution in paper and electronic form, is hereby authorized and approved.

Section 7. The Issuer approves the issuance of the Bonds, in one or more series which may include a series of Bonds the interest on which is subject to federal income taxes, in accordance with the terms of, and to be secured by, the Indenture, in an aggregate principal amount not to exceed \$153,000,000, to assist in financing and refinancing the Project and for the other purposes stated in the second recital hereto. Payment of the principal of and premium, if any, and interest on the Bonds shall be made solely from payments made by the Institutes and the other sources expressly provided in the Indenture and the Bonds shall not be deemed to constitute a debt or liability of the Issuer or the State of California.

Section 8. The Executive Director, or the Executive Director's assignee, and the Chair, or the Chair's designee, and each of them acting singly, is hereby authorized and directed

to execute, by manual or facsimile signature, for and on behalf and in the name of the Issuer, the Bonds in an aggregate principal amount not to exceed the amount authorized hereunder in accordance with the terms of this Resolution and the Indenture and in the form set forth in the Indenture.

Section 9. The Bonds, when executed as provided in this Resolution, shall be delivered to the Bond Trustee for authentication by the Bond Trustee pursuant to the Indenture. The Bond Trustee is hereby requested and directed to authenticate the Bonds so delivered by executing the Bond Trustee's certificate of authentication appearing thereon. The Bond Trustee is hereby requested and directed to deliver the Bonds, when duly executed and authenticated, to The Depository Trust Company, New York, New York (the "Depository") on behalf of the purchasers thereof in accordance with written instructions executed on behalf of the Issuer by the Executive Director, the Executive Director's assignee, the Chair or the Chair's designee, which instructions said officer, acting singly, is hereby authorized and directed, for and on behalf and in the name of the Issuer, to execute and to deliver to the Bond Trustee. Such instructions shall provide for the delivery of the Bonds to the Depository, on behalf of the purchasers thereof, upon payment of the purchase price therefor.

Section 10. Based upon representations made by the Institutes, the Board of Directors of the Issuer hereby finds and determines that:

- (a) the Project is located in the State of California;
- (b) the Institutes are capable of meeting their payment obligations under the Loan Agreement, which finding is based in particular on the Institutes ability to satisfy the requirements imposed by Standard & Poor's Rating Services, a Standard & Poor's Financial Services LLC business ("S&P") and Fitch, Inc. ("Fitch") to the issuance of a rating on the Bonds of at least "A-";
- (c) the payments to be made under the Loan Agreement are adequate to pay all current expenses of the Issuer in connection with the Bonds and to make all payments with respect to the Bonds when due; and
- (d) the proposed financing is appropriate for the financing and refinancing of the Project.

Section 11. The Executive Director, or the Executive Director's assignee, and the Chair, or the Chair's designee, and each of them, acting singly, is hereby authorized to execute any and all documents, certificates and instruments (including without limitation letters of representations and certifications of authority, a tax certificate and tax forms required by the Internal Revenue Service in connection with the issuance of the Bonds, and other documents necessary or advisable to refund the 2001 Bonds), and any escrow agreement associated with the refunding, in whole or in part, of the 2001 Bonds, which such officer, acting upon advice of counsel to the Issuer, may deem necessary or appropriate to consummate the issuance, sale and delivery of the Bonds and otherwise to effectuate the purposes of this Resolution.

Section 12. All actions heretofore taken by the officers, employees and agents of the Issuer with respect to the approval, issuance and sale of the Bonds are hereby approved,

confirmed and ratified. The officers of the Issuer and their authorized assignees, designees, deputies, agents and counsel are hereby authorized and directed, jointly and severally, to perform their duties and to execute and deliver any and all certificates and instruments that they, their counsel or bond counsel to the Issuer may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Bonds and otherwise to effectuate the purposes of this Resolution.

Section 13. This Resolution shall take effect immediately upon its adoption; provided that, the authorizations and directions contained in this Resolution shall not be effective until the Executive Director has been provided evidence that the Institutes have obtained an initial rating on the Bonds of at least "A-" from S&P or Fitch based solely on the credit of the Institutes and the funds pledged under the Indenture.

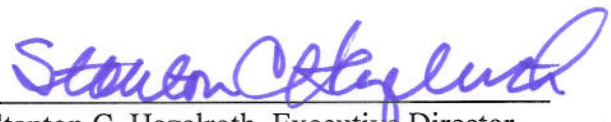
PASSED, APPROVED, AND ADOPTED at a meeting of the Board of Directors of the California Infrastructure and Economic Development Bank on September 27, 2011, by the following vote:

AYES: ROCKWELL, LUJANO, JIMENEZ, ARMSTRONG


NOES: NONE

ABSENT: RICE

ABSTAIN: NONE

By: 
Stanton C. Hazelroth, Executive Director

Attest:

By: 
Roma Cristia-Plant, Secretary of the Board